



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

KC MAN SENTENCED FOR DEFRAUDING CALIFORNIA CITY

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Kansas City man was sentenced today for defrauding the city of Newport Beach, California.

Darrell G. Jarman, 54, of Kansas City, Mo., was sentenced by U.S. District Judge Ortrie D. Smith this morning to four months in prison without parole followed by three years of supervised release, including four months of home detention. The court also ordered that **Jarman** pay restitution of \$127,894 to the city of Newport Beach, California.

Jarman waived his right to an indictment and pleaded guilty to a federal information charging him with mail fraud on July 16, 2002.

Jarman admitted that he defrauded the city of Newport Beach, California, of \$127,894, Graves said. While doing business as Municipal Funding Group, **Jarman** was awarded a lease/purchase contract by Newport Beach for a catch basin cleaner and refuse truck. The city executed a financing agreement with **Jarman** totaling \$356,299.14, and issued a check to Municipal Funding Group in the amount of \$127,894 to cover about a third of the amount needed to purchase the equipment.

The money **Jarman** received from Newport Beach was supposed to be used to pay a vendor, Graves said, but instead was deposited into **Jarman's** personal bank account at Bank of America on May 17, 2000, through the use of an automated teller machine located on the Country Club Plaza. After depositing the check, **Jarman** proceeded to make personal use of the funds, including a \$115,000 check that **Jarman** issued to Edward D. Jones & Co.

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As a result of **Jarman's** actions, Graves said, the city of Newport Beach suffered the loss of the \$127,894 and did not acquire the equipment as called for through its agreement with **Jarman**.

The case was prosecuted by Assistant U.S. Attorney Linda. L. Sybrant. It was investigated by the Federal Bureau of Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow